

***2.6 FIRE SAFETY BOND**
Approval of Fire Safety Bond Projects

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Executive Summary: On May 28, the City Council approved a list of projects to include in the fire safety bond measure. The list includes: replacing three fire stations, making earthquake and safety improvements to the remaining fire stations, constructing a public safety training center, and constructing an Emergency Operations Center. Since the May 28 Council meeting, staff has refined the cost estimates for the project and determined that if the bond measure passes, funds currently in the CIP for fire station improvements could be used to pay for the construction of the Emergency Operations Center. Staff recommends Council remove the Emergency Operations Center from the list of projects included in the bond measure.

BACKGROUND: Last year, as part of the Capital Improvement Program process, City staff identified more than \$50 million in public safety capital needs for which there is currently no source of funding. In November 2001, Council directed staff to explore options for a revenue measure that could fund some or all of these projects. Since that time, a project team comprised of staff from Engineering, the Police and Fire Departments, and the City Manager's Office, has been refining the estimated costs for the projects. Since not all projects can begin the first year after revenue is collected, staff developed a multiple-year, phasing schedule that includes sufficient contingencies in the cost estimates to cover this phasing.

The following table lists the projects and their estimated costs.

Fire Safety Bond Projects (\$ thousands)		
Project Name and Description	Estimated Project Cost	Running Total
Replace Station 2 (Niles): This station, built in 1952, is Fremont's oldest fire station. At 3,700 square feet, the station is half the size of the City's newer, 6,200 square-foot stations, and its garage doors are too low for new fire trucks and engines. The station was built as a volunteer station, with no plans to house 24-hour crews.	\$6,947	\$6,947

Project Name and Description	Estimated Project Cost	Running Total
Replace Station 6 (Centerville): This station, built in 1954, is a 4,650 square-foot, two-story station. It is located on busy Fremont Boulevard in the heart of Centerville, and traffic congestion in the area can slow response times. In addition, the station's garage doors are too low for new fire trucks and engines. Like the Niles Station, this station was built as a volunteer station, with no plans to house 24-hour crews.	\$6,679	\$13,626
Replace Station 8 (North Fremont): This 2,050 square-foot station is the City's smallest fire station. Located in a house on Darwin Drive, the station has been a temporary fire station since 1972. The station's garage doors are too low for new fire trucks and engines, and the garage is too small to hold more than one fire engine. The cost of this station has been reduced by \$800,000 to account for the funds contributed by Fire Impact Fees.	\$6,147	\$19,773
Make earthquake and safety improvements to Stations 1 (Central), 3 (Irvington), 4 (Mission San Jose), 5 (Warm Springs), 7 (Grimmer), 9 (Stevenson), and 10 (Ardenwood): After an earthquake, every fire station in the city needs to be able to serve as a critical neighborhood disaster response center. Making earthquake and safety improvements to these buildings will keep them operating before, during, and after a major earthquake, with minimum to no damage. Renovation measures for these stations include adding fire sprinklers, fire alarm systems, and 72-hour emergency generators to ensure that they can function after an earthquake or other emergency; replacing the 30-50-year old heating and air conditioning systems; providing separate male/female quarters; and remodeling old kitchens and bathrooms.	\$13,327	\$33,100
Build a Public Safety Training Center: The joint training center includes a fire tower, an indoor firing range, classroom space, and storage for emergency equipment and supplies. The City's current fire tower, located at Station 7 (Grimmer), was built in the 1970s. Its asbestos walls were removed in 1980 and never replaced, thereby limiting the tower's usefulness for training on live fires and confined space rescue. The City's current firing range is located on Alameda County Water District property in Coyote Hills, and the Water District is reclaiming this property. Police officers are required to train on their firearms six times a year and will have no place to do this once the firing range closes.	\$12,648	\$45,748
Project Contingency (10%) plus bond issuance cost: The contingency amount is added in to account for changes in the construction market that could have an impact on the costs of the projects. The cost to issue the bonds is \$200,000.	\$4,775	\$50,523

Tax Rate: On May 14, Dr. Brad Senden of the Center for Community Opinion, the City's pollster, concluded that:

1. It is feasible to ask voters to approve a bond to renovate or replace local fire stations and create a public safety training center.

2. The tax rate should be at or below a cost of \$10 per \$100,000 of assessed value.

With a \$50.5 million, 30-year bond, taxpayers would pay an average of \$7.30 per \$100,000 of assessed value. This is well below the tax rate Fremont's voters are willing to accept.

Emergency Operations Center: During an emergency, the City uses a conference room in the Administrative Center as its Emergency Operations Center (EOC). Without a central, dedicated space for emergency operations, the City has no space for the supplies (water, food, blankets), maps, and equipment a real EOC would house. Staff estimates an EOC would cost approximately \$2 million.

The current CIP contains \$2 million for fire-related capital projects that can be used for the EOC if the voters approve the bond measure for fire safety facilities. Because the EOC can be funded in the CIP, staff recommends removing this project from the list of projects included in the bond.

ENCLOSURE: None.

RECOMMENDATION: Authorize staff to return to Council on July 2 with the necessary ballot language to place a general obligation bond on the November 2002 ballot that would fund the replacement of the Niles, Centerville, and North Fremont fire stations, the earthquake and safety improvements to the remaining seven fire stations, and the construction of a joint training center.

